



FOREIGN POLICY bulletin

AN ANALYSIS OF CURRENT INTERNATIONAL EVENTS

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Will Germany Rearm?

by George N. Shuster

The problem of German rearmament emerged when the invasion of South Korea made it evident that the military forces available to insure the security of Europe were wholly inadequate and that an attack by even such satellite troops as had been mustered in Russian-controlled neighbor states might well prove successful. Anxiety was so intense that the United States, responding to a query by Chancellor Konrad Adenauer, gave assurances that an attack on the West German Republic would be considered an attack upon itself. Perhaps only those who have lived through the months which followed can understand how unrealistic this declaration seemed. We could not have repelled an invasion at any point for more than 24 hours. Accordingly, the popular German response to the suggestion that a German army be created was, "*Ohne mich*," which means, "Without me."

Since then the United States has sent to Europe a very considerable number of fighting men in all branches of the service. These, together with available Allied troops, could not, to be sure, cope with the full might of the Russian Army, but they would unquestionably suffice to hold lines behind which

forces could be organized for a counterattack. Therewith the immediate military and diplomatic situation was altered, and it became possible to attempt through the North Atlantic Treaty Organization the establishment of a European defense army. That such an army needed German manpower was self-evident. But in what manner and under what conditions was German manpower to be recruited? Countries invaded by Hitler were understandably reluctant to see rebuilt any part of the Prussian war machine which had twice overrun them. It was also contended that the Russians might well regard the revival of German military strength as a reason for resorting to a preventive war. Finally, there was so much opposition to military service inside Germany itself that the ability of the Bonn government actually to carry out a rearmament program seemed highly dubious.

When the Plevan plan for a European army was first proposed, it was often described as a French device for mustering recruits across the Rhine. Meanwhile, however, much has happened, not a little of which is due to the tactful and resourceful German officers who have advised the Bonn government. The

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difficulties inherent in so bold a scheme for unifying West European military forces have been faced, and a balance between sacrifice of morale and nationalistic pride has been found—at least temporarily. It would be a brave prophet who predicted that the slumbering fevers of chauvinism will be held in check indefinitely. The current debate about the Saar is a significant portent. Nor can one say that all problems, including those of recruitment and financing, have been solved. Europe is sick of war, and its material resources have been seriously depleted. It would be foolhardy to be misled by German production indices, for example, into believing that the social and economic reconstruction of battered and truncated West Germany has been carried beyond a favorable beginning stage. The costs of the American occupation must now be drastically reduced. Nor does it seem possible that the Germans can equip and maintain 12 divisions, 6 of them armored, without a substantial loan.

Unification and Rearmament

What has been the Russian reaction to these moves? Moscow's propagandistic onslaught has been very intense, but there is no indication that the proposed European force is viewed as a serious military threat. The Soviets have elected rather to make the obvious diplomatic counter-move of proposing the union of East and West Germany, with the proviso that all occupation troops then be withdrawn. In a well-timed statement, Premier Otto Grotewohl,

president of the East German Republic, offered to discuss joint elections with West German officials. This offer is, of course, not new, having been made in 1947 while Germany was still ruled by a Council of Ministers. The initial response of the Bonn Parliament was a very effective rejoinder, outlining as it did the principles by which joint elections should be governed. Then the problem was debated by the United Nations during the Sixth Assembly in Paris. Recently, however, Dr. Adenauer's concern with the Schuman plan, the European federation, rearmament, and the Saar, has brought about some loss of West German initiative. On February 13, in its first formal note to all of the Big Four powers, Communist East Germany asked that the United States, the U.S.S.R., Britain and France sign a peace treaty with Germany to speed reunification.

In Germany opposition to the unification of Western Europe, and therewith also to German rearmament, has been spearheaded by the Social Democratic party under Karl Schumacher's leadership. For some time this was a profitable political venture. Election results indicated that many voters were influenced by a party program which, while emphasizing nationalist interests, also defined the European army as a scheme for assigning to Germans the cannon-fodder role in an eventual clash between East and West. Regrettably enough, however, the principal consequence of Schumacher's nationalism—designed to prevent the

identification of German democratic forces with weakness—was that it encouraged unreconstructed Nazis and chauvinists to come out boldly into the open. There has been much quiet criticism of Schumacher's policies in Social Democratic circles, and it seems probable that his grave illness will lead to a change in the party program. Social Democratic opposition will make it more difficult to eliminate militarists from the projected German army.

We must also calmly face the fact that there is considerable German criticism of the Western powers. Too many people have inevitably suffered in body or in spirit as a result of alien rule. That the American occupation has nevertheless been singularly beneficent a vast majority of Germans realize, but it is doubtful whether this awareness offsets the deep conviction that the United States sinned grievously at Potsdam and blundered in Asia. Perhaps we need a German army for the reason that it will give the German people a stake in the defense of the West and so also a measure of self-reliance. To be sure, the fulfillment of this need will raise doubts and questions of very serious moment. German rearmament, despite our recourse to the devising of meticulous safeguards against militarism, is not the least grave consequence of having let slip away the peace which was once in our grasp.

(Dr. Shuster, president of Hunter College and long-time student of German affairs, served as *Land* Commissioner for Bavaria from July 1, 1950 to December 1, 1951.)

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347

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Problems of a Grand Coalition

American diplomats are discovering that it is not easy to resolve differences among friendly nations. When the North Atlantic alliance was organized three years ago, many people in Washington felt a great relief from the exasperating frustrations they had suffered in their postwar efforts to harmonize relations with the U.S.S.R. By now they realize that disagreements can occur also within the grand coalition of mutually dependent Western powers.

The disappointment resulting from this realization could have dangerous consequences if it encouraged American isolationists to condemn this country's scheme of international relationships as a fruitless endeavor. Current differences among us and our friends have indeed slowed the pace of American diplomatic accomplishment. For it seems no longer possible to solve—or appear to solve—great problems by some grand design like the creation of the United Nations, the promulgation of the Marshall plan, or the establishment of the Atlantic alliance. The period of sweeping decisions in United States foreign policy has about reached its end, but bit by bit American diplomacy is coping with, or at least meeting, the problems abroad that disturb the prospects for peace.

America, Britain and Egypt

The recent visit to Washington of British Prime Minister Winston Churchill revealed both the difficulties and the possibilities the United States faces in achieving its aim of multinational accord in the present circumstances. British and American hopes for agreement on several matters went unfulfilled. In one area,

however, the Churchill visit brought results—that was Egypt. The United States is at last taking positive action in the Middle East, although the role played by Washington is not clearly visible.

In his address to Congress on January 17, Churchill suggested that the United States assign a token force to the Suez Canal Zone as support for British troops fighting the Egyptian police. The suggestion left Congress cold, and astonished Administration officials, who had no intention of fulfilling this proposal. The United States was interested primarily in finding some way of implementing the suggestion it had made in Cairo last autumn for the establishment of a Middle East command in which Egypt would take part and which would be responsible for the security of the Canal Zone. The command force, a multinational group, would represent the United States, Britain, France and Turkey as well as Egypt.

Instead of taking a part in the British-Egyptian struggle, the United States quietly sought to bring it to an end by enlisting the aid of King Farouk. The king, in the opinion of the State Department, was out of sympathy with the assaults made on the British in the Canal Zone but could not come to direct agreement with the British on any terms other than acceptance by London of Egypt's denunciation of the 1936 treaty. The king was free, however, to accept American suggestions. Washington's influence resulted in the dismissal of the nationalist, anti-British prime minister, Nahas Pasha, his replacement with the more cosmopolitan Maher Pasha, and the new government's orders ending Egypt-

tian police attacks on the British forces in the Canal Zone. These changes clear the way for negotiations, yet to come, about the establishment of the Middle East command, provided the United States can now persuade Britain and Egypt to compose their differences over the 1936 treaty.

Churchill and China

Otherwise the Churchill visit had no major consequences. The United States agreed to grant Britain \$300 million in civilian economic aid, to furnish Britain with 1 million tons of steel, and to increase the price it pays for tin from British Malaya. British hopes for a closer relationship with the United States were dashed, as were American hopes that Britain would agree to participate directly in the proposed European army. American officials expected also that Britain would pledge its support to an expansion of the war in Korea if no truce were reached or if a truce agreed upon were broken. Churchill made an ambiguous statement on this matter in his address to Congress, but he told the House of Commons on January 29 that he had given no formal or definite commitment to the United States. He also denied reports that he had encouraged the use in the future of Chinese Nationalist forces on Formosa against troops on the Chinese mainland which is under the control of the Peiping regime, recognized by Britain. The impression here is that Britain's Korean and Chinese policies, outwardly unchanged, are subject to re-examination in the light of future events.

BLAIR BOLLES



Global Scene-Shifting

While the propaganda and military machinery of the cold war whirs on in the background, a new balance of power is emerging that may fundamentally alter the present positions of both the United States and the U.S.S.R. Recent scene-shifts on the international stage include the impending resumption of sovereignty by West Germany and Japan; Italy's assertion on February 9 that the most recent Soviet veto of its admission to the United Nations violated the Italian peace treaty, by which Rome consequently no longer regards itself bound; and discussion of a post-truce conference on Korea which might open the way to a broader parley on Asian problems.

Bidding for Best Terms

Bonn's stiffening terms for its cooperation in the creation of a European army have increased French fears—never entirely alleviated by the Schuman plan or other steps toward European integration—that the Germans will eventually reassert their hegemony on the Continent and seek to recover the territories they lost through war. If the Germans should now refuse to join the European army except on terms unacceptable to the French, will this carefully nurtured project for the defense of the West have to be discarded? Will the United States, as an alternative, turn to a military alliance with Germany, as some Frenchmen fear? Will France liquidate its commitments in Indo-China to improve its military resources in Europe vis-à-vis Germany?

Japan, too, although less strong than Germany, is in a position to bid for more favorable terms in its nego-

tiations about American bases with Dean Rusk, ambassador at large, and General Matthew B. Ridgway. If and when the Korean war comes to an end, the Japanese will feel less dependent than they have been since 1945 on American military aid. At the same time, with the decline of our Korean war requirements, they will face grave economic decisions.

Here, also, new problems are legion. Can the United States indefinitely keep Japan from trading with Communist China—particularly when Britain and other European competitors oppose the expansion of Japanese exports to Southeast Asia? If Japan is barred from finding markets and sources of raw materials on the China mainland, what steps is the United States planning to take in order to provide the Japanese with other ways of earning a living for its rapidly growing population? Will the desire to do business with Communist China and the U.S.S.R. overcome Japanese anxiety about Russia and communism? Will the U.S.S.R. make a separate peace treaty with Japan, or will it go along with the present situation and then try to obtain the terms it wants?

Pandora's Box in Korea

Meanwhile, welcome as a Korean truce would be to the United States and the UN, it would open a veritable Pandora's box of fresh troubles. The Kremlin has undeviatingly persisted in its purpose of using the truce negotiations to usher in a larger discussion of Asian problems. Having failed to initiate this discussion in the UN forum at Paris, it now hopes that a pledge to hold a political conference within 90 days follow-

ing the conclusion of an armistice can be included in the truce terms at Panmunjom.

The Communist negotiators proposed that such a conference should examine "questions related to peace in Korea," among which they give top priority to the future of Formosa and the admission of the Peiping regime to the UN. The UN negotiators on February 9 indicated that they would accept some form of negotiation (not necessarily a conference) concerning "Korean affairs related to peace" but had no authority to discuss an over-all Asian parley. The UN counterproposal contains three main conditions: that the negotiations be limited to Korean problems; that the creation of a unified Korea under an independent, democratic government be discussed; and that the South Korean Republic, which by implication had been excluded from the original Communist draft, be represented.

It is understandable that the United States and the United Nations should want to have a clear-cut settlement of the Korean situation before other Asian problems are broached. Sooner or later, however, the fact will have to be faced that since the end of the nineteenth century Korea has been significant, not so much because of the aspirations and contributions of its 30 million people as by reason of its strategic position in the three-cornered struggle for power between China, Japan and Russia (Tsarist as well as Communist)—a struggle in which first Russia, then Japan, and then again Russia won the upper hand; and more recently the United States, as

(Continued on page 8)



The Outlook in Spain

by Sidney C. Sufrin

Professor Sufrin, director of the Business and Economic Research Center, Syracuse University, served as Chief of the Temporary Economic Study Group sent to Spain in 1951 by the Economic Cooperation Administration. The views expressed in this article are those of the author, and in no sense should be taken as official United States government views or policies.

After more than 15 years of political and economic isolation, Spain is now being re-evaluated and reconsidered as a potentially useful part of the structure of the Western world. In liberal and socialist circles, Spain is still suspect. Its government is primarily modeled on that of Mussolini and, to a lesser extent, on that of Hitler. Democracy, the political rights of individuals, the existence of free trade unions, indeed, the whole social complex associated with democracy and libertarianism, are lacking in Spain. Yet Spain might be a factor assisting the accomplishment of the West's international purposes. Considerations of military, as well as economic, necessity will weigh heavily in decisions determining the acceptance of Spain as a part of the Western security structure.

Uneven Economic Development

Economically, Spain could be just about self-sufficient. During recent years, in spite of being cut off from the Western world and in spite of the relatively small volume of its exports and imports, Spain has managed to keep its economy running sufficiently well to feed, house and clothe its population of 28 million. The standard of living in Spain is not what a Frenchman or probably an Italian would call adequate, but, on the other hand, there is no starvation or utter deprivation.

Slightly more than half the population live and work on the land. Agriculture has developed unevenly in Spain. Some few farms are

mechanized and efficiently operated by large landowners. Other farms are extremely small and operated with a minimum of tools, fertilizer, water and power—power usually supplied by mules, cows or oxen. Land reform represented by "colonization" projects—that is, low-cost government loans for land, homes and equipment—show some promise of solving the land problem, but progress is slow. The great drought which began in 1945 ended in the spring of 1951, and the harvests completed last autumn exceeded even sanguine estimates.

Industrially, Spain also has had an uneven development. Most of its machines and machine tools are old and inefficient. However, during the past five years Spain has managed to import and manufacture on its own account sufficient machinery to raise its gross national production by possibly 7 to 10 per cent a year. At the moment, it suffers above all from a shortage of raw materials and power—electricity and coal.

The electric power problem in Spain is a perennial one. Having only very low-grade coal and possessing water power, especially in the mountains of the North, Spain has concentrated a great deal of its investment effort on hydroelectric plants. Droughts, however, are common, so that streams frequently dry up and thus reduce the efficiency of hydroelectric plants, usually built in conjunction with thermal electric plants. This, of course, is very expensive, since roughly for every 66 cents worth of hydro investment

there is about 33 cents of thermal investment. In spite of this difficulty, Spain is now in a position, for the first time, of enjoying approximately sufficient electric power for its needs. The joker is that it lacks the transmission lines to move the electric power from areas of surplus to areas of deficit. To some extent this is being corrected by loans from the Export-Import Bank under the \$62.5 million loan authorized by the United States Congress for 1950-1951. However, a national grid is needed if Spain is to supply electricity to the entire country.

Ideological Conflict

The great economic resource of Spain is its population—its labor supply. The Spanish workman and manager both are hard-working and on the whole fairly skillful; but they work with inferior tools and constantly suffer from raw-material and power shortages. As a result, during the past five years national income has probably increased only by 2 or 3 per cent a year. Spain suffers from a great lack of highly skilled engineers and from a weak and outmoded transport and distribution system. The chronic shortages of foreign exchange, and the peculiar ideological bent of the regime, make it difficult, if not impossible, for many new ideas to permeate the engineering elite, for new ideas are available only when books, periodicals, travel and outside experts are available to those who can benefit from them. Labor productivity, too, cannot increase so long as raw ma-

terials and efficient machines and machine tools are lacking.

The regime has no well-developed, well-defined ideology. With the defeat of Italy and Germany in World War II, the popularity of, and general faith in, Fascist economics and politics have declined. The ideological confusion of the Western world, however, has militated against the development in Spain of a new economic and social orientation to replace the one which was so directly discredited by the defeat of Italy and Germany.

At the present time two economic approaches, or ideologies, can be observed in Spain. The first of these is the ideology of the INI (Institute of National Industry, the governmental investment and operating agency). The INI thesis is that Spain, to achieve a reasonable standard of living, must shift its national economic emphasis from agriculture to industry. However, so the argument runs, this shift cannot be accomplished through private individuals and private banks; rather, the government itself must engineer and control the new orientation. While there have been some successful INI projects, primarily in the power field, by and large the INI investment program has not achieved the goals set by its supporters.

The second ideological approach in the economic sphere can be classified as "economic liberalism." Economic liberalism should not be confused with political liberalism. The latter does not play a significant role in Spanish official or semiofficial thinking. The economic liberals want to free industry and commerce from the enormous burdens of price, exchange and investment controls imposed by the government. Both the INI advocates and the economic liberalism advocates are agreed on the ultimate desirability of the free

enterprise system. The goal of free enterprise, however, has not been realized to any appreciable extent.

As one would expect, most businessmen and bankers tend to support the economic liberal position, and their power both within and without the government is not inconsiderable. The INI ideology, very close to the technocratic thinking of the United States during the 1929 depression, is largely supported by government engineers and by some of the military. The resolution of this INI-free enterprise ideological conflict does not appear imminent.

The road and railroad systems of Spain are not very efficient. The primary roads are in generally good shape, but the secondary and tertiary systems are in poor repair.

The nationalized railroad system is in really bad shape. Officials of the railroad system estimate that the productivity of one Spanish railroad worker is about half that of the French *cheminot*. The rolling stock, the locomotives, the roadbeds and the rails are, for the most part, far below the standards of safety, let alone of efficient operation. Indeed, it is said that no locomotive has ever been scrapped in Spain and that locomotives bought 100 years ago are still in use as switching engines. Some funds under the \$62.5 million United States loan program are being devoted to the electrification of particularly steep grades.

Living Standards

The per capita income of Spain probably does not exceed \$160 a year. The distribution of income, of course, as in the case of most poor countries, is heavily biased toward the small group of rich or well-to-do people. It is doubtful whether the small farmer in the southern or central part of the country has an income in excess of \$60 to \$70 a year.

The industrial workers of the North (the Basque and Catalan areas) are better off. The standard of living of the wealthy easily equals that of the rich in any part of the Western world.

While Spain has no unemployment insurance program, it has a social security program of wide coverage. For every dollar in wages, somewhere between 80 and 90 cents are paid into social security funds for old age and health protection. Workers unemployed as a result of material shortages or of plant shutdowns for other reasons (excepting strikes) receive wages, paid by the employer, during their unemployment. In addition, many firms supply employees at no cost, or purely nominal cost, food and other benefits such as medical care, free schooling for children, and certain recreational facilities. Industry has undoubtedly been able to bear the great burden of taxes and free services because of the slow but fairly steady inflation which has been going on since the civil war. Spanish industry, with very few exceptions, is profitable.

From the technical economic point of view, the relation of Spanish banks and Spanish industry is interesting, since banks do not deal at arm's length with their borrowers. Frequently, or even typically, middle-size and large-size industries are controlled by the banks. It is said that the largest seven banks of Spain control more than 65 per cent of Spanish industry. Again from a merely technical point of view, the absence of a sharp inflation is probably due to a formal or informal understanding between or among the banking elements to refrain from highly speculative credit extension. There are no legal reserves required of Spanish banks, nor is there any fixed limit of government debt. The government requires, by informal

rather than formal pressure, that 40 per cent of the securities and paper held by banks be in the form of government bonds.

As is the case in many other Western European countries, the tax structure tends to be regressive. Income taxes are widely avoided by both individuals and corporations, while excise taxes and property taxes supply the overwhelming tax income of the government. Deficit financing has been generously resorted to.

Political Trends

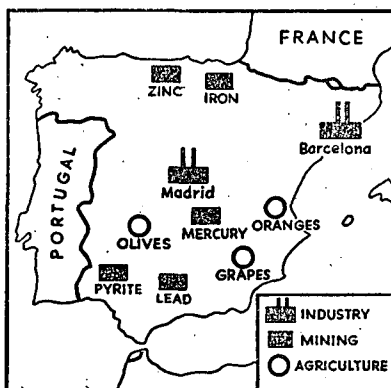
The complete lack of political democracy in Spain makes it difficult to estimate the public acceptance of the regime. Verbal criticism of the regime is widespread and seems to occur at all strata of society. However, there is no popularly accepted alternative to General Franco's government. The hope of restoring the monarchy and with it the constitution is the strongest anti-Franco hope, but in itself is very weak. The expectation of establishing a Republic is dim. To the present observer it seems that the role of the Catholic Church in Spanish politics has often been exaggerated. The Church is not overt in its economic actions, and its covert actions are difficult to appraise. The educational system is clearly under the control of the clerical supporters of the regime.

Essentially, the regime draws its greatest support from the Army. Some 200,000 troops are under arms and are a burden on the national budget. The police force is also large. Observers believe that both the police force and the Army are loyal to the regime.

Spain's political circles seem to have an unrealistic view of the nation's role in world affairs. Spanish politicians often express the view that the United States and Western Europe need Spain if the Western

military and economic organization is to be really strong. That Spain probably has a low priority in American thinking has not fully permeated Spanish political opinion. On the other hand, Spaniards are beginning to understand that if they are drawn into the military structure of the Western world, the neutrality or at least the nonbelligerency Spain enjoyed in the first and second world wars cannot be maintained in a third conflict. This realization is like a bucket of cold water thrown on flaming economic expectations of United States aid. Spanish political circles have begun to see that any economic aid from the United States will require a *quid pro quo* in the form of military bases.

One point is clear: Spain is in no position to digest a large investment fund even if such were available. In this observer's opinion, world-



Spain's Economy

wide scarcities, high prices and the lack of Spanish capacity to use a fund of appreciable magnitude, plus the repugnance of the Western world for dictatorship, militate against a Spanish aid program similar to programs undertaken by the United States elsewhere in Western Europe.

Should the United States military make any arrangements with Spain, it is clear that the Spanish economy will have to be propped up. From

the technical point of view, railroads will have to be rehabilitated, some roads will have to be built, and usual Army and Navy facilities will have to be erected. Such a program, even though of relatively small size, might, at first, have an inflationary effect on the Spanish economy. This inflationary effect could be combated by making available to Spain a small quantity of consumers' goods and raw materials, while limited investments would permit the Spanish economy to assist in supplying some of the economic requirements of the United States military in Spain.

This would, undoubtedly, have a beneficial effect on the Spanish economy and would also benefit the economies of the Western world. While Spain is not a land rich in resources, its agricultural and mineral output could be raised so that exports would become available. Citrus and other fruits, vegetables and some ores and metals, in limited quantities to be sure but in sufficient quantities to be of value to other nations, could be obtained. The Spanish consumer, Spanish industry and the economic effort of the West would all benefit if Western capital and know-how could be applied in Spain. This, however, would require solutions of the blocked peseta problems, as well as assurances that private investments would not deteriorate into public gifts—for example, as in the Barcelona Traction bankruptcy.

READING SUGGESTIONS: The best and most painless way to learn about Spanish character is by reading Cervantes' masterpiece, *Don Quixote*. While the book has universal application, it has remarkable specific application to Spanish character. Other useful books are: Gerald Brenan, *Spanish Labyrinth* (New York, Macmillan, 1943) and *The Face of Spain* (New York, Pelligrini & Cudahy, 1951); Thomas J. Hamilton, *Appeasement's Child* (New York, Knopf, 1943); J. H. Carlton Hayes, *The United States and Spain* (New York, Sheed & Ward, 1951); Emmett J. Hughes, *Report from Spain* (New York, Holt, 1947).

As Others See Us

How do official spokesmen of Spain view Spain's future relations with Europe and the United States?

The leading Spanish daily, *ABC* of Madrid, conservative, commenting on an article about Spain's foreign policy written for the Spanish press by Foreign Minister Martin Artajo, said editorially on January 11 that Europe has a "historical responsibility for recovering for Christianity the peoples at present enslaved by Soviet Russia. It is a great undertaking. . . . Yet neither the material preparations nor the spirit of the Europeans, it seems to us, bear an adequate relation to the magnitude of this new Crusade. Instead of sharing in the mistaken approach to the problems of Europe's defense, we therefore prefer to devote sustained attention to our own affairs, preparing the defense of the Peninsula in close agreement with Portugal. The United States, for its part, is showing signs of true friendship and broad-minded understanding. One can no longer relegate to the realms of fancy a direct pact between this great country and Spain, which would give us economic and military assistance permitting our means to be put on a par with our ideals."

In his article Foreign Minister Artajo had declared: "Franco's government cannot look upon the measures being taken to defend the Continent against Soviet imperialism with any illusion. . . . The main objective, therefore, of any military plans formulated by free Christendom should be the liberation of these sister nations [subjugated by Russian communism]."

Commenting on reports that the United States had been pressing Japan to sign a treaty with Chiang Kai-shek, *The Manchester Guardian Weekly*, liberal British organ, said

editorially on January 17: "Japan should be left to decide its own policy towards China. . . . The alleged American proposal makes the worst of all worlds. It would make it more difficult for Japan to open trade with mainland China—urgently needed for Japan's economic health—and would also injure the Kuomintang. It is said that the proposal is directed mainly to conciliate the American Senate and to smooth the way for the ratification of the San Francisco Treaty. But this sort of appeasement would cause more commotion than it would prevent."

Spotlight

(Continued from page 4)

a victor in the Pacific war, became involved. Can the international position of Korea be settled and the tragic lot of its divided and materially shattered people be effectively improved until there is some clarification of the Asian picture as a whole?

In an election year, with the Administration's policy in Asia one of the crucial issues, such clarification is politically difficult to achieve. At the present time the main problems involved are not being openly debated. Does the United States hope for the overthrow of the Peiping regime? Does it expect the return of Chiang Kai-shek to the China mainland? Would it undertake to facili-

tate his return, as Senator Robert A. Taft urged in Seattle on February 12? And, on the other side, what are the intentions of Communist China and the U.S.S.R. with respect to South-east Asia? Is large-scale Chinese assistance to the Vietminh forces in Indo-China in the offing, as the French have been predicting? Or must the West expect continuation of a cold war in which propaganda about Communist achievements in China, and the supply of arms and ammunition to native Communists will be the principal weapons? As long as the answers to these and other questions remain obscure, it is difficult to see how a truce in Korea alone would bring about stabilization in Asia.

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A Foreign Policy Forum

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